

**Table 5-12. Economic Analysis Results – Reduced Capacity Value Sensitivity.**

CREZ Name	Annual Energy (GWh/yr)	Cumulative Energy (GWh/yr)	Weighted Average Rank Cost (\$/MWh)
Solano	2,721	2,721	-14
Palm Springs	2,465	5,186	-8
Imperial North-A	10,095	15,281	0
Round Mountain-A	1,598	16,879	4
Victorville-A	2,112	18,990	17
Fairmont	18,318	37,308	19
Tehachapi	25,091	62,400	22
San Diego South	1,829	64,229	28
San Diego N. Cen.	702	64,931	31
Victorville-B	2,267	67,198	33
Riverside East-A	2,339	69,537	33
<b>In-state Non-CREZ Resources</b>	3372	72909	-2
<b>Out-of-state Resources</b>	20589	93498	4

\*CREZs highlighted in yellow are not in the base case results

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### 5.8.5 Reduced Solar Photovoltaic Costs (Thin Film)

In the Phase 1A report, Black & Veatch identified tracking crystalline as the proxy technology to represent solar PV resources. The costs for this technology are relatively high, and as a result the base case does not include development of any solar PV resources. Unlike most other renewable technologies, capital costs in the photovoltaic industry have significant potential to decrease, and there is considerable commercial interest in utility-scale “thin film” systems. This sensitivity tests an alternate thin film technology for solar with capital costs of about \$3,700/kWe, roughly half that of tracking crystalline. This figure represents goals and cost targets provided by manufacturers and developers. Notably, these capital costs are also lower than the large-scale solar thermal projects; therefore thin film solar is assumed to occur both at the distributed scale (20 MW) and also in large scale blocks (150 MW).<sup>17</sup> In addition to

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<sup>17</sup> While this sensitivity is based on target costs for thin film technology, it could also be viewed as a proxy for potential cost reduction for any solar technology, including solar thermal. In the Phase 1A report, stakeholders agreed to not predict changes in technology cost over time. However, several other studies, including work by Black & Veatch, have forecast improvements in solar thermal technology that could lead to lower costs. The results of this sensitivity study could thus be viewed as showing potential for any solar technology.